

News Release

UOB Indonesia: Green economy transition will be key to Indonesia's long-term sustainable growth

Jakarta, 29 September 2022 – UOB Indonesia anticipates that integrating green growth into its national development strategy will be key to Indonesia's long-term sustainable growth. This would help to boost consumer spending and support the nation's strategy of industry downstreaming. The bank forecasts Indonesia's gross domestic product (GDP) to grow to 4.8 percent in 2022 and five per cent in 2023 amid the ongoing global economic uncertainty.

The Bank's optimism on the nation's economic growth was shared at its annual UOB Indonesia Economic Outlook conference held today in Jakarta. This year's theme was "*Emerging Stronger in Unity and Sustainably*". His Excellency Mr Joko Widodo, President of the Republic of Indonesia, opened the event with special remarks. Ms Sri Mulyani, Minister of Finance of the Republic of Indonesia, also attended the event and gave a keynote speech. More than 3,000 participants attended the annual UOB event.

Mr Hendra Gunawan, President Director, UOB Indonesia, said, "In the midst of challenges and global uncertainties, we appreciate President Mr Joko Widodo's leadership in navigating the post-pandemic economic recovery. The Indonesian economy has proven to be resilient through the synergy of government's macroeconomic policies that have succeeded in bringing our country to a fast and sustainable recovery. As we play our role as a catalyst and enabler, we look forward to supporting the government, regulators, investors and communities in building a sustainable future."

Indonesia has been making steady progress towards a stronger economic recovery, after its GDP contracted by 2 per cent during the pandemic in 2020. However, the country is facing risks such as slower global growth, global financial volatility, tighter macroeconomic policy and rising geopolitical tensions. Nevertheless, UOB Indonesia expects Indonesia's economy to remain resilient in 2023, supported by the nation's robust consumption and commodity export boom.



Head Office

UOB Plaza
Jl. M.H. Thamrin No. 10
Tel (021) 2350 6000
Fax (021) 2993 6632
uob.co.id

News Release

Mr Enrico Tanuwidjaja, UOB Economist, said, “Climate change is the most pressing concern that the world, including Indonesia, is facing. Meanwhile, globally, we are faced with challenges related to energy demand, food scarcity and global health issues. The developing and emerging economies have also been working closely to adopt low-carbon and climate resilient policies. Indonesia must continue to support sustainability and further manage its spending and investments to ensure a resilient recovery.”

According to the Asian Development Bank, the energy demand in Asia is set to double by 2030¹. Today, Indonesia still heavily relies on coal-fired power plants (CFPP) that make up 67 per cent of Indonesia’s energy generation mix. Nevertheless, the trend might slow down as the government has formally banned the new development of CFPP and prioritised the development of power plants that utilise renewable sources of energy. The green energy provisioning is crucial as it has a highly positive correlation with growth. The policy will also support the country’s commitment to reduce emissions by 29 per cent in 2030 and achieve net-zero emissions by 2060.

“To emerge stronger, we need to work together to tackle the challenges of climate change and the energy crisis. We hope that through Indonesia’s G20 Presidency this year, nations around the world will leverage their strengths and expertise to promote a green economy,” said Mr Tanuwidjaja.

- Ends -

About UOB Indonesia

UOB Indonesia is a subsidiary of United Overseas Bank Limited, a leading bank in Asia with a global network of around 500 offices in 19 countries and territories in Asia Pacific, Europe and North America. UOB Indonesia

¹ Source: *ADB, Indonesia, the Philippines Launch Partnership to set up energy transition mechanism*
<https://www.adb.org/news/adb-indonesia-philippines-launch-partnership-set-energy-transition-mechanism>



Head Office

UOB Plaza
Jl. M.H. Thamrin No. 10
Tel (021) 2350 6000
Fax (021) 2993 6632
uob.co.id

News Release

established in 1956. UOB Indonesia's service network comprises 130 branch offices and 132 ATMs across 42 cities in 16 provinces in Indonesia. UOB Indonesia's banking services are accessible through its regional ATM network, the ATM Prima and Bersama networks and the Visa network.

UOB Indonesia is committed to providing quality products and excellent customer service. The Bank offers various banking products and services categorised into digital bank, personal financial services, business banking, commercial banking, corporate banking, global markets and investment management. UOB Indonesia is rated AAA (idn) by Fitch Ratings.

The Bank has a strong retail customer base through its wide range of saving products, mortgage services and credit cards. UOB Indonesia's banking services are also accessible in Indonesia, Singapore, Malaysia and Thailand through hundreds of UOB ATMs.

UOB's award-winning digital bank, TMRW, serves Indonesia's generation of enterprising and digitally-savvy customers by providing a better, personalised banking experience through the use of data and customer feedback. Through TMRW, the Bank is committed to helping customers meet their financial goals as they build a better tomorrow.

UOB Indonesia is also focused on helping companies with their expansion plans and has supported many enterprises from industries such as construction, mining, real estate and the services sector in their expansion into Indonesia.

UOB Indonesia believes in being a responsible financial services provider and it is committed to making a difference in the lives of its stakeholders and in the communities in which it operates. Just as the Bank is dedicated to helping customers manage their finances wisely and to grow their businesses, UOB Indonesia is steadfast in its support of social development, particularly in the areas of art, children and education.

For further details on UOB Indonesia, please visit www.uob.co.id

For more information, please contact:

Fatma Tri Hapsari
Vice President
Strategic Communications and Brand
Email: fatmatri.hapsari@uob.co.id

Maya Rizano
Senior Vice President
Head of Strategic Communications and Brand
E-mail: maya.rizano@uob.co.id

